

# PROPOSAL EVALUATION

## Proposition 50, Chapter 8

### Integrated Regional Water Management Grant Program

### Implementation Step 2 Proposals

**PIN:** 10016  
**Applicant Name:** County of Orange  
**Project Title:** South Orange County IRWM Implementation Project

**Funds Requested:** \$ 25,000,000  
**Total Project Cost:** \$ 153,194,599

<b>Total Proposal Score:</b> 112
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**Description:** The South Orange County IRWM Plan Implementation Project includes 7 projects that will significantly enhance water supply reliability and water quality for the region's seven watersheds. Collectively, the projects implement 7 IRWM Plan objectives, and include 4 water supply projects, 1 large water conservation project, 1 water quality/pollution reduction project, and 1 water quality/habitat restoration project.

**Question: Adopted IRWMP and Proof of Formal Adoption**

5

A revised IRWMP was adopted on May 23, 2006.

**Question: Description of Region**

4

Maps depicting the region, its watersheds, regional water agencies, regional water systems, and resources with a narrative discussion are provided. A discussion and regional land use map showing land-use activities is provided. A limited discussion of important social and cultural values and economic trends is presented.

**Question: Objectives**

5

From the list of water management strategies presented in the IRWMP, the applicant selected 7 key categories to group the projects within the IRWMP. Specific objectives and strategies to meet those objectives are described for the region and are grouped by category. Water related objectives are the focus of the IRWMP and its categorized projects, from riparian habitat to water supply, infrastructure, and facilities. A general discussion of how to identify and resolve conflicts is presented.

**Question: Water Management Strategies and Integration**

4

The IRWMP addresses 20 water management strategies. The water management strategies are described in detail and grouped by objective category. The synergy created by the integration of these strategies is discussed.

**Question: Priorities and Schedule**

5

The projects are prioritized in two lists (A and B). Priority A projects are prioritized with respect to importance of the project to progress toward regional objective. Equitable geographic distribution and participation by all IRWMP agencies is addressed. Commitment by individual agency sponsors to incorporate local funding within their fiscal year budget planning processes is addressed. Environmental documentation is already achieved, in progress, or is achievable for the project. A description of how the IRWMP will respond to changes is presented.

**Question: Implementation**

4

The applicant identifies the projects that will be implemented as part of the IRWMP. The start and end dates are identified for each project, as well as which entity that will implement the project. The project descriptions give background information and justify the need for each of the projects. However, there is limited documentation demonstrating the technical and economic feasibility of the projects.

**Question: Impacts and Regional Benefits**

4

The application contains a table showing the activities completed for each of the seven projects including funding match, status, potential negative impacts, data gaps, project performance evaluation, links and integration of projects, and levels of planning. However, limited description within the IRWMP of specific regional impacts and benefits resulting from implementation of projects under the IRWMP is presented.

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#### ***Question: Technical Analysis and Plan Performance***

**4**

The IRWMP explains in detail the measures by which the performance of the IRWMP and projects will be evaluated. Limited information is provided to demonstrate the scientific and technical methods used to select the water management strategies. Limited discussion of data gaps is provided. Although improvements were made from the Step 1 submission, this criterion has not been improved sufficiently to warrant a full score.

#### ***Question: Data Management***

**4**

Data generated from the projects and IRWMP implementation will be coordinated with State and federal agencies. The statewide programs are described in detail, providing some site specific activity within the region. Limited discussion is provided how the cooperating agencies or the selected implementation projects will determine what information will be disseminated regionally. Data is identified to be posted to the County website, but there is limited discussion on the specific plans to set up and manage data in a regional data base.

#### ***Question: Financing***

**4**

Financing is included in the table of selected implementation projects. Most projects are listed as funding secured at or near project totals. Funding agencies are identified in the table, but project beneficiaries are not described in detail. The IRWMP does not fully address ongoing financing for project O&M. However, the description of individual actions does discuss some aspects of required project O&M activity. For projects, such as the treatment plant, limited discussion is provided describing O&M costs or scheduling.

#### ***Question: Relation to Local Planning & Sustainability***

**4**

The IRWMP was partially developed by the IRWM Group using existing local and regional plans, documents, and programs as listed in a table. The management plans listed are a compilation of IRWM Group members' historic and ongoing plans and activities, each meeting individual member's goals and also objectives of the IRWM Group by implementing water management strategies and incrementally contributing to regional goals. Land use planning at the county and municipal level are included in the narrative, noting some of the linkages to regional water management, such as wastewater and stormwater management. However, there is limited discussion on how these elements were integrated and coordinated together or if overlap or conflict were considered.

#### ***Question: Stakeholder Involvement & Coordination***

**5**

The applicant demonstrated stakeholder involvement throughout the development of the IRWMP. Public outreach activities were conducted and the public was allowed to comment on draft versions of the IRWMP. Letters of support were solicited and received for the IRWMP. There was an identification and discussion of DACs issues. Quarterly meetings will be held by the County of Orange to inform stakeholders of issues relating to project implementation, monitoring, data management, and project funding.

<b>Weighted IRWMP Total Score: 26</b>
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#### ***Question: Work Plan***

**15**

The applicant addressed all items in these criteria. Goals and objectives are provided and described. A tabulated overview of the seven projects is provided. Maps are presented with project locations. The synergies and linkages among other projects are discussed. Work items are detailed and complete. Work item submittals are clearly defined including PAEP, quarterly reports, and final reports. The work plan details what permits are needed and also their status. Plans and specifications are in various stages of preparation.

#### ***Question: Budget***

**4**

Eight budgets are provided in the application - one overall budget and seven individual project budgets. The budget amounts for each of the seven priority projects are reasonable and the details are well documented in separate budget narratives. Contingency costs are within reasonable ranges. The applicant clearly identifies matching fund sources for each of the budgets. However, the budget items in each of the project budgets do not match the work items and sub-items outlined in the respective work plans.

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***Question: Funding Match***

5

The funding match is 83.6% of the total proposal costs.

***Question: Schedule***

4

The applicant provided a Gantt chart with the timeline for each of the seven projects. Out of the seven projects, five will be implemented prior to December 2007 and two will not be implemented until 2008. There is no discussion on how the project will be monitored or evaluated after construction/implementation to see if it is meeting its original intent.

***Question: Scientific and Technical Merit***

12

Most of the supporting documents are planning studies that are not specific to selected projects, but do provide a framework for the proposal. However, the supporting documents do not fully support feasibility of proposal. For example, the 2006 preliminary project design report provides is unfinished and the quantitative detail for the supply water source is missing for Projects 4, 5, and 6.

***Question: Monitoring, Assessment and Performance Measures***

5

The applicant includes a project performance measures table for each project in the proposal. That table includes the project goals, desired outcomes, output indicators, outcome indicator, measurement tools and methods, and targets. The output and outcome indicators outlined by the applicant are reasonable. The targets described for each project are reasonable and can be feasibly accomplished by the end of the project.

***Question: Economic Analysis***

12

The PV of costs claimed is \$163 million and PV of the benefits is \$60 million. The maximum new water supply is 7,500 AF in 2016 and is valued, conservatively (based on current MWD Tier 2 rates). The discussion of water quality benefits is limited. The only water quality benefits counted are recreation benefits associated with reduced beach closures. Reduced ocean discharge of 4,560 AFY of secondary effluent is not claimed in the tables. The water quality benefits may be substantial, but their economic value is not well-documented. The benefits being claimed are not always clear in physical or economic terms. The presentation of quantified benefits for individual projects is confusing and inconsistent.

***Question: Other Expected Benefits***

6

This proposal will provide an average to minimal level of Other Expected Benefits. The applicant documents qualitative benefits that are anticipated for some of the planned projects. The benefits are supported with good documentation and demonstrate the additional value of the respective projects to the overall proposal. The applicant chose to document the Avoided O&M costs for the Heisler Park Marine Habitat Protection rather than considering this a quantitative benefit. There may be minimal realized improvements in habitat or species benefits.

***Question: Program Preferences***

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The seven projects in this proposal exhibit a high degree of synergism and combined multiple benefits. Combined these projects bring benefits to the areas of local and regional water supply and reliability, long-term attainment and maintenance of water quality standards, reduction of pollution in impaired waters and sensitive habitat areas, and safe drinking water and water quality to serve DACs. The magnitudes of these Program Preferences are documented throughout the proposal.

***Question: Statewide Priorities***

18

Each of the 8 Statewide Priorities are presented in table and summary discussion. The benefits appear generally localized to this region which is an extremely small region with limited potential to address the Statewide Priorities at a statewide or large-regional basis. Meeting Delta Water Quality Objectives are discussed in general and the area is within the CALFED solution area. However, the benefits to the Delta appear questionable. Reducing conflict between water users is broadly addressed. The TMDL implementation priority is also addressed broadly. The Bacteria TMDL (under development) is identified as a high priority major water quality problem. WMI implementation is addressed by the proposal. The NPS Plan priority is generally addressed.

<b>Total Proposal Score:</b>	<b>112</b>
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